

REMARKS

Favorable reconsideration of this application as presently amended and in light of the following discussion is respectfully requested.

Claims 1-12 are pending in the present application. Claims 1, 6, and 10 are amended by the present amendment.

In the outstanding Office Action, Claims 1-7 and 9-12 were rejected under 35 U.S.C. § 102(e) as anticipated by Hori (U.S. Patent Application Publication No. 2004/0088510), and Claim 8 was rejected under 35 U.S.C. § 103(a) as unpatentable over Hori in view of Ishiguro et al. (U.S. Patent Application Publication No. 2006/0142059, herein "Ishiguro").

In view of the outstanding rejections on the merits of the claims, independent Claims 1, 6, and 10 are amended to more clearly recite that first digital contents are created when a create right of the first digital contents is acknowledged. The claim amendments find support in Figures 12 and 13 and their corresponding description in the specification and also at page 34, first full paragraph. No new matter has been added.

Briefly recapitulating, amended Claim 1 is directed to an IC card that includes a holder configured to store first digital contents, an encryption processor, and an execution processor. The execution processor is configured to create the first digital contents when a create right of the first digital contents is acknowledged. Independent Claims 6 and 10 are different from Claim 1 but have been amended similar to independent Claim 1.

In a non-limiting example, Figure 12 shows the IC card 1a receiving an acknowledgment "ack" from a server 3 before creating the first digital contents. Figure 13 also shows receiving the acknowledgment in step S1107 and then creating the first digital contents in step S1108.

The claimed execution processor advantageously generates the digital contents in accordance with whether or not the create right exists, thus, reducing the digital contents in the holder and avoiding duplication by external malicious operations.

Turning to the applied art, Hori discloses a data recorder system that includes first and second data storage devices. The first data storage device shifts and/or copies specific data to the second data storage device. Specifically, Hori discloses in paragraph [0017] that the data storage device may be a cellular phone or a personal computer that stores encrypted content data and a license from a distribution server. The encrypted content data can be viewed if first decrypted based on the license from the distribution server. However, when the user transfers the encrypted data to another device, the user cannot freely shift the license, which is used for decrypting the encrypted content data.

In this regard, Hori shows in Figure 8 a memory card 110 of the cellular phone and the memory card 110 has a storage unit 1415 that communicates via a bus BS4 with a controller 1420, a class certificate unit 1400, and an encryption unit 1408. The memory 1415 includes a log region 1415A, a license region 1415B and a data region 1415C. Hori discloses in paragraph [0117] that the log region 1415A is a region for recording the log, in paragraph [0118] that the license region 1415B records the license, and in paragraph [0119] that the data region 1415C records the encrypted content data.

However, Hori does not teach or suggest that first digital contents are created when a create right of the first digital contents is acknowledged. In fact, Hori is silent about any acknowledgment or **creating the digital contents**. In this regard, it is noted that the content is already created and stored in the memory, as disclosed in paragraph [0060], where Hori discloses that music content is stored and protected. Thus, the device in Hori does not need and cannot create the music content.

Accordingly, it is respectfully submitted that independent Claims 1, 6, and 10 and each of the claims depending therefrom patentably distinguish over Hori.

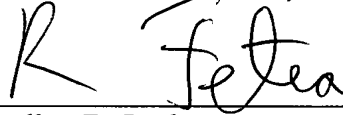
The outstanding Office Action relies on Ishiguro for rejecting dependent Claim 8 and considers that Ishiguro discloses a control unit that controls a communication unit to interrupt a communication with the communication destination after a given time. However, Ishiguro does not cure the deficiencies of Hori discussed above with regard to independent Claim 1.

Accordingly, it is respectfully submitted that independent Claims 1, 6, and 10 and each of the claims depending therefrom patentably distinguish over Hori and Ishiguro, either alone or in combination.

Consequently, in light of the above discussion and in view of the present amendment, the present application is believed to be in condition for allowance and an early and favorable action to that effect is respectfully requested.

Respectfully submitted,

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